

1 [REDACTED] - 2/16/2022

2 have been made by Ripple.

3 Q. Did you look for statements -- sorry.
4 Did you look for statements by Ripple that do not
5 support your conclusions in the report?

6 A. I think I've --

7 MR. SYLVESTER: Object to form.

8 Go ahead.

9 A. -- I've addressed areas in my report
10 where, for instance, the statements or the design
11 factors would relate to utility users, and I think
12 there are times in the report where I talk about how
13 those statements or design factors would actually be
14 beneficial towards utility purchasers.

15 So I would -- I would disagree with the
16 characterization of the report, that there is
17 nothing in any of those statements that -- that
18 support utility usage or noninvestment
19 considerations by reasonable purchasers.

20 Q. So you agree that Ripple made public
21 statements that were not targeted at an investment
22 purpose. Is that right?

23 MR. SYLVESTER: Objection;
24 mischaracterizes his testimony.

25 A. I think Ripple's made statements about

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2 all kinds of things, and I certainly don't have
3 every statement that Ripple made in this report. As
4 you mentioned, Ripple has many other public
5 statements. Not every one of those statements is in
6 the report.

7 Those statements are about many
8 different -- many different things, but I'm -- I'm
9 specifically looking to synthesize an understanding
10 of how their statements and their actions and the
11 design of their platform and software relate to
12 the -- the factors that I've put forth.

13 Q. Did you look for any --

14 MR. SYLVESTER: And just -- sorry.
15 I think we might be at a good point to take a lunch
16 break sometime soon. I think we've been going for
17 about an hour, even notwithstanding my two-minute --
18 two-minute break.

19 MR. OPPENHEIMER: I have a few more
20 in this line, but I agree we can break pretty soon.

21 MR. SYLVESTER: Okay.

22 Q. Did you look for any statements by Ripple
23 that are inconsistent with an investment-use case?

24 A. I looked -- as I mentioned earlier, I
25 looked for -- I looked through many, many

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2 statements. I looked for as many sources and
3 statements as I -- that I could find. And I looked
4 through many on a variety of topics.

5 Q. But you only considered the ones that are
6 listed in Appendix B to your report. Right?

7 A. I --

8 MR. SYLVESTER: Objection.

9 Go ahead.

10 A. -- don't think there is a difference in
11 the two sets that I was talking about just now. I
12 think maybe I should hone down what you mean by
13 "public statements," but public statements can be
14 made in a variety of places. Some of them -- those
15 don't always get recorded in a place where I can
16 even access them or see them. But I searched for
17 public statements. The ones I found that are on
18 this -- on this list.

19 Q. Since you didn't consider the SEC's
20 complaint in this case, I take it you don't know
21 whether the complaint alleges that there were
22 particular statements that would have led purchasers
23 of XRP to expect profits, based on Ripple's efforts?

24 A. So wait. Sorry. Say that -- say the
25 question again, what I was looking for in the -- in

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2 the statement of the complaint.

3 Q. Yeah.

4 Since you didn't consider the SEC's
5 complaint in this case, I take it you don't know
6 whether the complaint alleges that there were
7 specific statements that would have led purchasers
8 of XRP to expect profits, based on Ripple's efforts?

9 A. I think --

10 MR. SYLVESTER: Object to form.

11 But you can answer.

12 A. -- you made an assumption that I don't
13 know what's in the complaint, and I would disagree
14 with that.

15 Q. Did you consider the complaint in forming
16 your opinion in this case?

17 A. The documents that I -- that informed my
18 analysis are on this report.

19 Q. So the complaint did not inform your
20 analysis, because it's not listed in Appendix B of
21 Exhibit 3. Is that right?

22 A. So what I'm trying to get at, and I think
23 this goes back to what we were talking about
24 earlier, is you're making an assumption about
25 whether or not I've seen the complaint -- you're

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2 asking different questions about whether I've seen
3 it or whether I've, you know, pulled from it to, you
4 know, write my report, and those are different
5 questions. So I -- I'm getting confused as to
6 exactly about --

7 Q. In the --

8 (Simultaneous speaking.)

9 A. -- if you're asking me if I've seen it or
10 read it or --

11 (Simultaneous speaking.)

12 Q. Let me ask the question again. I think
13 it's pretty straightforward. The complaint did not
14 inform your analysis in this expert report, because
15 it's not listed in Appendix B to your report. Is
16 that right?

17 MR. SYLVESTER: Objection; form.

18 A. The reason I'm confused is you just asked
19 the question about whether -- you said you assumed I
20 hadn't seen what was in the complaint, and you're
21 also asking about whether it was the basis for my
22 findings.

23 And I think you're asking me those -- if
24 those are the same -- the premise of your question
25 implies that those are the same thing, but they're

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2 not, and I'm honestly just confused about what --
3 specifically, you're trying to ask me about what
4 I've seen in the complaint or not.

5 Q. I'm asking you to just take it one
6 question at a time.

7 A. Okay.

8 Q. I'm asking you one question right now.
9 My question is, the complaint did not inform your
10 analysis in this expert report, Exhibit 1, because
11 it's not listed in Appendix B to your report,
12 Exhibit 3. Isn't that right?

13 A. So --

14 MR. SYLVESTER: Objection; form.
15 Go ahead.

16 A. -- I -- I've -- I think what we're
17 dancing around here is I've read the complaint, so
18 I've seen information that was in the complaint.

19 Q. Uh-huh.

20 A. And I think earlier you asked me a
21 question if -- you said you assumed that I hadn't,
22 so that's not correct. I have seen it.

23 You were also asking me if that was how I
24 found out certain information, and so that's why
25 I'm -- I'm trying to answer your questions

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2 accurately, but I'm honestly confused about whether
3 you're asking me whether I've seen something, if
4 whether it's the first time I've seen something, or
5 whether it was something that I -- I know what's in
6 there, or if I can even remember what's in there
7 right now.

8 I would generally say I've read the
9 complaint. It -- I -- I can't, sitting here without
10 it in front of me, tell you everything that's in it.
11 If you wanted to ask me about a specific point in
12 there, it's -- it's -- I guess an easy way to say it
13 is it's not -- the complaint's not cited in my
14 report.

15 Q. So you did read the complaint before you
16 wrote your expert report in this case. Right?

17 A. Yes.

18 Q. But you didn't consider what it was
19 saying in connection with forming your opinions. Is
20 that right?

21 A. I haven't cited the report -- sorry -- I
22 haven't cited the complaint in the report, and I
23 don't think that it was something that information
24 in the report formed any of my expert opinion about
25 this. So it wasn't -- it wasn't a consideration in

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2 doing my analysis and methodology that I've lined
3 out. The methodology and analysis that I lined out
4 was based on my experience and based on the, you
5 know, data that I've collected.

6 Those are the sources that are in my
7 appendix here. It doesn't mean that I've -- there
8 is probably other times in my life I've seen a
9 document that had to do with Ripple. That doesn't
10 mean I'm not -- haven't seen it, but that means that
11 it hasn't, you know, impacted my conclusions in the
12 report that I wrote.

13 Q. So even though you read it, you didn't
14 consider what the complaint said in forming your
15 expert opinions in this case. Is that right?

16 MR. SYLVESTER: Object to form.

17 A. I feel like there is a specific legal
18 definition here of "consider" that maybe I'm not
19 understanding. But I think I already explained it,
20 that, you know, I've read it. I can't, sitting here
21 right now, remember exactly what's in it. So I
22 don't know if there is a particular part of the
23 complaint that you're referring to, but, you know,
24 the -- the materials that form the basis of my
25 conclusion are, you know, cited in my report and

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2 listed in this appendix.

3 Q. Did you read the amended complaint?

4 A. Yes.

5 Q. Did you ever do any comparison of the
6 amended complaint to the original complaint?

7 A. Honestly, right now it's been so long
8 since I've read either that I couldn't tell you what
9 the specific differences are in the two.

10 Q. Did you -- let's see.

11 Have you deleted any tweets from your
12 Twitter account since the time you were retained as
13 an expert in this case?

14 A. I use TweetDelete, so throughout the
15 course of my entire Twitter history my tweets are
16 regularly deleted for the past -- going back past
17 six years, I think, that they last a week or
18 something. I can't remember exactly how long.
19 Probably seven days.

20 Q. Have you taken any steps to disable
21 TweetDelete since you were engaged as an expert in
22 this case?

23 A. No.

24 Q. Do you know what tweets were deleted
25 since you became an expert in this case?

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2 A. No.

3 Q. Why do you use TweetDelete?

4 A. I'm not under my real name on Twitter.

5 My point of being there is not to build a brand or

6 promote a company or product. I don't -- I don't

7 intend to keep a -- you know, a chronological, you

8 know, publicly accessible record of everything.

9 It's really more meant to be a platform that I can

10 just have conversations.

11 Q. Do you know whether your Twitter account
12 is protected?

13 A. Yes.

14 Q. Is it?

15 A. Yes.

16 Q. When did you protect your Twitter
17 account?

18 A. It's been protected on and off throughout
19 the entire period that I've ever had the account.

20 So that's, again, going back -- I think I started an

21 account in 2016. And I'd say that it's been

22 protected for the majority of that time. And I

23 think there have been times when I needed to talk to

24 an individual person and that required unprotecting

25 and protecting again. But I couldn't tell you

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2 exactly when or how many times.

3 Q. Do you know when you most recently
4 protected your account?

5 A. No.

6 Q. Would it surprise you to learn that it
7 was in October of 2021 after you submitted your
8 expert report in this case?

9 MR. SYLVESTER: Objection; form.

10 A. I don't remember when it was.

11 Q. Do you have any reason to disagree with
12 the suggestion that it was in October of 2021?

13 MR. SYLVESTER: Objection; calls for
14 speculation.

15 A. I don't remember when it was.

16 Q. That wasn't my question. My question was
17 do you have any reason to disagree that it was in
18 October of 2021?

19 MR. SYLVESTER: Objection; calls for
20 speculation.

21 A. I don't know what you mean by that, but I
22 don't remember when it was.

23 MR. SYLVESTER: And, Brad, we've been
24 going for probably another ten, so can we take a
25 lunch break?

1 [REDACTED] - 2/16/2022

2 MR. OPPENHEIMER: Less than three
3 questions and we can break.

4 MR. SYLVESTER: Okay.

5 Q. Would you be willing to give defendants
6 access to your Twitter account, not as in to run the
7 account, but access to read the posts from your
8 Twitter account in this case?

9 MR. SYLVESTER: Objection; form.

10 A. I don't understand. As we just said, I
11 use TweetDelete. So the tweets are regularly,
12 automatically deleted without my input.

13 Q. Do you know if there are any tweets on
14 your account that have not yet been deleted as we
15 sit here today?

16 A. I believe that there are no tweets on
17 there that have not been deleted. I don't use
18 Twitter that often, so I'm pretty sure that the --
19 I'm very confident that the last time I used it was
20 so long ago that it would have been deleted. It's
21 probably been -- well, it's been much more than
22 seven days.

23 Q. Okay. Do you recall when the last time
24 was that you used it?

25 A. I would guess it was --

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2 MR. SYLVESTER: Objection; form.

3 "Used it"? Are we talking about
4 Twitter?

5 MR. OPPENHEIMER: Sorry. Yes.

6 Q. When was the last time you made a post
7 through your Twitter account?

8 A. That I posted? I believe it was in 2021.

9 MR. OPPENHEIMER: Okay. We can go
10 off the record.

11 THE VIDEOGRAPHER: The time is 1:45.
12 We are off the record.

13 (Break.)

14 THE VIDEOGRAPHER: The time is 2:37.
15 We are on the record.

16 Q. Mr. [REDACTED] I want to go back to digital
17 assets that you or [REDACTED] have purchased in the
18 past. I think you've already said that both you and
19 [REDACTED] at one point had purchased [REDACTED] and

20 [REDACTED] Is that right?

21 A. [REDACTED] and [REDACTED] yes.

22 Q. [REDACTED] Thank you.

23 Did you or [REDACTED] ever purchase

24 [REDACTED]

25 MR. SYLVESTER: Object to form.

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2 A. Yes.

3 Q. How about [REDACTED]

4 A. I don't think so. I don't believe I did.

5 Q. And when you say you don't believe "you"
6 did, is that you personally or both you and Lily --

7 A. Sorry. I meant for both me personally
8 and for [REDACTED] I don't believe I ever have.

9 Q. Okay. What about [REDACTED]

10 MR. SYLVESTER: Object to form.

11 A. [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

15 Q. Have you or [REDACTED] ever owned [REDACTED]

16 A. I don't think so.

17 Q. What about [REDACTED]

18 A. I don't think so.

19 Q. What about [REDACTED]

20 A. I don't think so.

21 Q. What about [REDACTED]

22 A. I don't believe so.

23 Q. How about [REDACTED]

24 A. I don't believe so.

25 Q. [REDACTED]

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2 A. Yes.

3 Q. [REDACTED]

4 A. Yes.

5 Q. [REDACTED]

6 A. Yes.

7 Q. [REDACTED]

8 A. I assume you meant [REDACTED] but...

9 Q. I'm sorry. [REDACTED] You're right. Yes,
10 [REDACTED] just to be clear.

11 THE STENOGRAPHER: I can't hear. I
12 need to go off the record.

13 MR. OPPENHEIMER: Okay. Let's go off
14 the record.

15 THE VIDEOGRAPHER: The time is 2:39.
16 We are off the record.

17 (Break.)

18 THE VIDEOGRAPHER: The time is 2:40.
19 We are on the record.

20 Q. Have you or [REDACTED] ever owned [REDACTED]

21 MR. SYLVESTER: Object to form.

22 A. Yes.

23 Q. How about [REDACTED]

24 MR. SYLVESTER: Object to form.

25 A. Yes.

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2 Q. How about [REDACTED]

3 MR. SYLVESTER: Object to form.

4 A. I don't think so.

5 (Exhibit 4 was marked.)

6 Q. I'm going to show you a document that
7 we'll mark as [REDACTED] Exhibit 4. This is the SEC's
8 first amended complaint in this case. And I'll
9 direct you to Paragraph 331. You can feel free to
10 read whatever you need for context, but I'm asking
11 specifically about a quotation from that paragraph.

12 Paragraph 331 quotes a tweet by Ripple,
13 saying, quote, the price of #XRP continues to surge,
14 showing that people are looking for #bitcoin
15 alternatives, end quote.

16 That wasn't one of the statements that
17 you relied on or that you considered in forming your
18 opinion in this case, was it?

19 MR. SYLVESTER: Object to form.

20 A. I don't believe -- I have to go back and
21 read through my report, but I don't think that
22 specific tweet was quoted in my report.

23 Q. How about if you turn to Paragraph 252.

24 A. 252?

25 Q. Yeah, 252. There is a paragraph -- there

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2 is a quotation in Paragraph 252 saying: On
3 January 21st, 2017, Cryptographer-1 represented in
4 the XRP chat that Ripple was, quote, heavily
5 focused, end quote, on, quote, building up an
6 awesome payments infrastructure, end quote, using
7 XRP, and had, quote, several strategies, end quote,
8 to do so.

9 You did not consider that statement by
10 Ripple in connection with forming your opinion in
11 this case, did you?

12 A. I did not include that statement in my
13 report.

14 Q. Okay. Did you review drafts of any other
15 experts' reports in this case?

16 A. No.

17 Q. Do you know if any other experts reviewed
18 drafts of your reports --

19 A. Actually let me just clarify. I've read
20 the reports that I made rebuttals to. I guess that
21 would be -- not be a draft, though. Right? That
22 would be a final product. I guess I'm just trying
23 to clarify. I've read other expert reports because
24 I've read the ones that I've basically offered a
25 rebuttal opinion against.

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2 Q. Have you read any draft or final reports
3 of any other SEC experts in this case?

4 A. No.

5 Q. Have you spoken with any other SEC
6 experts in this case?

7 A. Yes.

8 Q. Which ones?

9 A. [REDACTED] and [REDACTED]

10 Q. Let's start with Dr. [REDACTED] Do you
11 know if he is affiliated with Integra?

12 MR. SYLVESTER: Object to form.

13 A. He's not an employee of Integra.

14 Q. When did you speak with Dr. [REDACTED] about
15 this case?

16 A. I can't remember the exact dates, but it
17 would have been sometime in spring of 2021, I think.

18 Q. So before you wrote your report?

19 A. Before I wrote my report, yeah.

20 Q. What did you discuss with Mr. [REDACTED]
21 when you spoke with him?

22 A. We discussed -- you know, we're trying to
23 help find somebody who would be a blockchain expert.
24 So I had discussions with him to kind of just
25 establish that he was knowledgeable in the

1 [REDACTED] - 2/16/2022

2 blockchain space and that he knew about, you know,
3 blockchain technology.

4 Q. Did you have any further conversations
5 with him after that one?

6 A. I can't remember exactly, but I think
7 that we talked twice. Two -- I think two times,
8 yeah.

9 Q. What did you speak with him -- what did
10 you talk about with him during the second time you
11 spoke?

12 A. It was the same topics of conversation.

13 Q. I apologize. I don't think I've asked
14 this yet, but if I'm duplicating, my mistake.

15 Do you know if any of the SEC's other
16 experts reviewed drafts of your opinion in this
17 case?

18 A. I don't know.

19 Q. Have you spoken about this case with
20 anyone outside of the SEC or Integra other than
21 Dr. [REDACTED]

22 A. Anyone outside of Integra or the SEC
23 besides Dr. [REDACTED] I don't think so.

24 I mean, I guess I'm talking to you about
25 it now so that would actually have to be a yes. I

1 [REDACTED] - 2/16/2022

2 don't think any of you work at Integra or

3 Dr. [REDACTED] Sorry.

4 Q. Before today, other than your
5 conversation with Dr. [REDACTED] you didn't speak
6 about this case with anyone outside of the SEC or
7 Integra. Is that right?

8 A. I don't think so.

9 Q. Okay. You said you also had
10 conversations about this case with Dr. [REDACTED]
11 When did you have those conversations?

12 MR. SYLVESTER: Objection;
13 mischaracterizes testimony.

14 A. Yeah. You didn't ask me if I had
15 conversations about this case with Dr. [REDACTED] You
16 asked if I spoke to any experts in this case.

17 Q. I see.

18 Have you spoken with Dr. [REDACTED] about
19 this case?

20 A. Not anything about substantive details.
21 I mean, we work at the same company, so at times,
22 I'm sure we've had conversations like scheduling
23 and, like, are you -- you know, we've discussed, you
24 know, declines of when reports are due or when
25 depositions are going to be and stuff like that.

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2 But I haven't discussed my analysis in this case
3 with him.

4 Q. When was the last time you spoke with
5 Dr. [REDACTED]

6 A. I think it would have been two days ago.

7 Q. And did you discuss this case at that
8 time?

9 A. No.

10 Q. Have you reviewed the transcripts of any
11 expert witness deposition in this case?

12 A. Yes.

13 Q. Which experts' transcripts have you
14 reviewed?

15 A. Professor Osler.

16 Q. Anyone else?

17 A. I think that's it.

18 Q. Have you reviewed the transcripts of any
19 fact depositions -- fact witness depositions in this
20 case?

21 A. No.

22 Q. I take it from your earlier testimony you
23 did not review Dr. [REDACTED] expert report. Is that
24 right?

25 A. That's right.

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2 Q. So you don't know if the statements that
3 you describe by Ripple in your report are the same
4 as those that Dr. [REDACTED] describes in his report?

5 A. I -- I don't know who Dr. [REDACTED] is or that
6 he even wrote a report, so I have no idea.

7 Q. Okay. When you trade in digital assets,
8 either personally or through [REDACTED] do
9 you consider the terms of contracts involving other
10 holders of that same digital asset?

11 MR. SYLVESTER: Objection; form.

12 A. I don't understand what you're asking.

13 Q. When you or [REDACTED] makes trades
14 in digital assets, you consider a variety of factors
15 in deciding whether you're going to make the trade.
16 Right?

17 A. Correct.

18 Q. Are contracts involving other individuals
19 or entities who hold that same digital asset one of
20 the things that you or [REDACTED] consider in deciding
21 whether to make those trades?

22 MR. SYLVESTER: Object to form.

23 A. So, honestly, I don't understand what
24 you're asking me. Do I consider contracts that are
25 held by other people?

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2 Q. Do you think that the terms of a contract
3 between third parties can be a source of purchaser's
4 expectations about potential profits from a digital
5 asset purchase?

6 MR. SYLVESTER: Object to form;
7 vague.

8 A. You have to give me an example of what
9 we're talking about because I -- I honestly don't
10 understand what type of scenario you're -- you're
11 trying to discuss.

12 Q. In forming your -- your opinion in this
13 case, did you look at the terms of any of Ripple's
14 contracts with any other buyer of XRP?

15 A. Yes.

16 Q. Which contracts did you look at?

17 A. There are a variety so I can't remember
18 all of them right here, but I think, you know, some
19 of those are discussed and footnoted in the report
20 specifically.

21 Q. Take a look at Exhibit 3, which is
22 Appendix B to your opening report. Do you see any
23 contract listed in Appendix B of your report?

24 A. (Pause.)

25 So I know that there are some contracts

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2 listed in the -- the footnotes and I'm not sure if
3 one of those is the same thing I'm looking at here
4 because I think that any of those would have a Bates
5 number on them so I can't see the title beyond the
6 Bates number. I'm not sure, looking at this, if one
7 of those contracts is one of these examples or not.
8 I'm pretty sure that there are places in the report
9 where that's described in a -- in a footnote,
10 though. That's the type of document that I was
11 referring to there.

12 (Discussion off the written record.)

13 Q. Can you point me to any footnote in your
14 report that cites a Ripple contract in Exhibit 1?

15 A. Sure. Let me look.

16 (Pause.)

17 No, I don't see any. I think I might
18 have been confused and maybe it's in the rebuttal
19 report.

20 Q. Okay.

21 A. The footnote I'm thinking about.

22 Q. But there is no Ripple contract cited in
23 your opening report. Right?

24 A. None that I saw just now, no.

25 Q. Okay. Take a look at Paragraph 2 in your

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2 report, Exhibit 1. You write in this paragraph:
3 The SEC retained me to independently analyze and
4 render opinions on a perspective of a reasonable
5 purchaser of XRP on Ripple's statements, actions,
6 and product offerings. The purchasers I am
7 considering in this matter primarily include
8 individuals, institutional investors, and financial
9 services companies.

10 You say, "primarily include." Are there
11 other types of purchasers you also considered?

12 A. I -- I think it's possible that there are
13 entities that wouldn't fall into those categories
14 that have made a purchase of XRP. And so to the
15 extent that that exists, it wasn't really part of
16 the group of entities or individuals that I was
17 considering.

18 Q. You didn't define the term "reasonable
19 purchaser" in your report, did you?

20 A. I think we talked about earlier today
21 some aspects of what a reasonable purchaser is,
22 but --

23 Q. Well --

24 A. -- I don't think it was defined -- broken
25 out as, you know, a specific definition in the

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2 report.

3 Q. Okay. How did you decide which
4 individuals, institutional investors, or financial
5 services companies were reasonable purchasers and
6 which were not?

7 MR. SYLVESTER: Object to the form.

8 A. I think anybody who falls into those
9 groups is an individual institutional investor or
10 financial service company that is, you know,
11 rationally considering making a purchase of XRP
12 could fall into that group. I can't individually
13 identify every one of the people or entities that
14 would fall into that category, but, you know, the --
15 that general group is the type of market participant
16 that I was considering.

17 Q. Would you agree that individuals come in
18 all different levels of sophistication in terms of
19 investment experience?

20 MR. SYLVESTER: Object to the form.

21 A. I -- yeah, I think that there are some
22 individuals that are more sophisticated in the
23 marketplace than others.

24 Q. Would you agree that, on the whole,
25 institutional investors or financial services

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2 companies are likely to be more sophisticated than
3 typical individuals?

4 MR. SYLVESTER: Object to form,
5 beyond the scope.

6 A. I think -- it's hard for me to make a
7 blanket statement like that. I think there are
8 plenty of institutional investors that are less
9 sophisticated than individual -- specific examples
10 of individual investors and vice versa, so you could
11 find examples going both directions there.

12 Q. When you did your analysis in your
13 report, you didn't analyze each of these three
14 groups, individuals, institutional investors, and
15 financial services companies separately, you
16 considered them all as whole. Right?

17 MR. SYLVESTER: Object to form.

18 A. I think at many places in the report, as
19 you can see if you go through it, I speak to the
20 specific considerations and needs of -- of some of
21 those on their own.

22 And there are some -- there's some
23 discussions that apply generally across -- you know,
24 more generally across people -- institutional
25 investors and financial services company as a group,

1 [REDACTED] - 2/16/2022

2 and there's some considerations and topics that
3 pertain to one more than the other, and I think
4 I've -- at -- at those times, I've broken out that
5 discussion to how what I'm talking about kind of
6 pertains to one or the other of those.

7 Q. How many individuals or entities have
8 purchased XRP?

9 A. I --

10 MR. SYLVESTER: Object to form.

11 A. Sitting here right now, I can't give you
12 an exact number.

13 Q. Can you even give me an estimate?

14 MR. SYLVESTER: Object to form,
15 beyond the scope.

16 A. Sitting here now, I can't -- I can't tell
17 you. That wasn't part of my assignment, that wasn't
18 part of what I was analyzing, it wasn't something I
19 tried to calculate, so I could -- I can't really
20 give you an answer. That's not something I've
21 looked at.

22 Q. So you don't know how many reasonable
23 purchasers of XRP exist in the real world. Is that
24 right?

25 MR. SYLVESTER: Object to form.

1 [REDACTED] - 2/16/2022

2 A. Sitting here now, I can't tell you how
3 many total purchasers there have been of XRP going
4 back over time.

5 Q. And you don't know where purchasers of
6 XRP are located geographically in terms of, for
7 example, how many are in versus outside of the
8 United States. Is that right?

9 MR. SYLVESTER: Object to form.

10 A. So as I mentioned, I don't have specific
11 numbers on any of these things, but there are
12 certainly indications about whether people are
13 likely to be inside or out of the country, based on
14 kind of looking at blockchain data and the platforms
15 they're using and things like that.

16 Q. Based on the data you've looked at,
17 approximately what percentage of XRP purchasers were
18 located inside the United States?

19 A. I can't give you a specific number for
20 that.

21 Q. Do you have an estimate?

22 A. I don't have a specific estimate for
23 that.

24 Q. You -- would you be able to come up with
25 an estimate, based on the blockchain data?

1 [REDACTED] - 2/16/2022

2 MR. SYLVESTER: Object to form.

3 A. I would have to have the question, you
4 know, better defined than the way you've given it to
5 me just now. I could -- I think, using blockchain
6 data, it's possible to develop insights into
7 location of various purchasers and where activity
8 took place, especially related to specific
9 platforms.

10 But the -- I think the way you asked it
11 is pretty broad and open-ended. I wouldn't -- I
12 don't think I could give you a yes or no without
13 hearing the specific question you would want me to
14 answer.

15 Q. Okay. So using blockchain data
16 especially related to specific platforms, it's
17 possible to get insights into the location of
18 purchasers. Is that right?

19 MR. SYLVESTER: Object to form.

20 A. I think you can learn information about
21 the geographic location of purchasers based on a
22 variety of data and blockchain analysis, and the
23 platforms they're using would be examples of that,
24 yes.

25 Q. Okay. And you didn't do that blockchain

1 [REDACTED] - 2/16/2022

2 analysis in connection with your opening report.

3 Right?

4 A. In my opening report, I did not.

5 Q. Okay. And you didn't do that blockchain
6 analysis in connection with your rebuttal report,
7 did you?

8 A. I did.

9 Q. What blockchain data did you analyze in
10 your rebuttal report on this issue?

11 A. XRP Ledger data.

12 Q. Do you know how many XRP owners also own
13 other digital assets?

14 MR. SYLVESTER: Objection; beyond the
15 scope.

16 A. Are you asking, like, what percentage of
17 people who own XRP owned some other digital asset in
18 addition to XRP?

19 Q. Sure. We can start with that.

20 A. I can't give you a specific number on the
21 percentage of XRP holders that hold a separate
22 asset. I mean, those assets appear on separate
23 blockchains. I certainly haven't done that analysis
24 for each and every blockchain that exists in the
25 world.

1 [REDACTED] - 2/16/2022

2 Q. So you don't know what percentage of
3 people who own XRP own some other digital asset in
4 addition?

5 MR. SYLVESTER: Objection; beyond the
6 scope.

7 A. I haven't done that analysis.

8 Q. Are you aware that XRP holders can make
9 purchases using XRP-based debit cards?

10 MR. SYLVESTER: Objection; form.

11 A. I'm aware that people use debit cards to
12 make purchases that are funded out of a digital
13 asset.

14 I would disagree with the way that -- the
15 mechanism of how that transaction works start to
16 finish, I would disagree with the way that you
17 phrased that, so I've slightly -- answered a
18 slightly different question.

19 But there are debit cards out there in
20 the world that will fund a U.S. dollar transaction
21 by first selling a digital asset.

22 Q. And there are debit cards that will fund
23 transactions by selling XRP. Isn't that right?

24 A. I can't give you a specific example of
25 one but, in general, yeah, I'm aware that there are

1 [REDACTED] - 2/16/2022

2 debit cards that will allow you to sell an
3 investment, whether that's XRP or, you know, many
4 other types of digital assets and then use the U.S.
5 dollars generated from that transaction to complete
6 a purchase.

7 Q. Are you familiar with the Uphold debit
8 card?

9 A. I'm not familiar with that specifically,
10 no.

11 Q. Are you familiar with the GlobaliD debit
12 card?

13 A. No.

14 Q. Do you know if there were any purchasers
15 of XRP who didn't know that Ripple existed at the
16 time they bought XRP?

17 A. Sorry. Say that again for me.

18 Q. Do you know if there were any purchasers
19 of XRP who didn't know that Ripple existed at the
20 time they bought XRP?

21 A. I can't speak to every single purchaser
22 of XRP and what they knew at the time that they
23 purchased it.

24 Q. Suppose there is somebody out there who
25 didn't know about Ripple at the time they purchased

1 [REDACTED] - 2/16/2022

2 XRP. Is it your opinion that that purchaser would
3 have been relying on statements by Ripple when they
4 made their purchase of XRP?

5 MR. SYLVESTER: Objection; beyond the
6 scope.

7 A. I can't speak to what an individual
8 person knew or didn't know at the time.

9 Q. Is it your opinion that an individual who
10 didn't know about Ripple at the time they purchased
11 XRP would have had an expectation of profits based
12 on Ripple's actions at the time they purchased?

13 MR. SYLVESTER: Objection; beyond the
14 scope.

15 A. I'm having a hard time figuring out
16 exactly what you're asking me. I mean, for a long
17 time, people didn't even distinguish between the
18 name of Ripple the company versus Ripple the
19 digital. So when -- it's hard for me to say that
20 somebody understood that, like, Ripple the digital
21 asset existed when Ripple the company didn't exist.

22 I mean, you know, hypothetical purchaser
23 in that moment would have just thought they were
24 purchasing Ripple. And I think that somebody who
25 didn't understand that the company existed but that

1 [REDACTED] - 2/16/2022

2 the asset existed, it -- it's hard to hypothetically
3 speak about the mindset of that person.

4 Q. Did you do anything to find out whether
5 there were actually people who purchased XRP and
6 didn't know about Ripple's existence at the time
7 they purchased it?

8 A. I never studied the question of
9 specifically how many people knew what XRP was, but
10 didn't know what the company Ripple was.

11 Q. And do you have any opinions as to
12 whether, if such people existed, they were relying
13 on actions by Ripple to receive a profit from
14 purchasing XRP?

15 MR. SYLVESTER: Objection; beyond the
16 scope.

17 A. I can't put myself in the mindset of that
18 person. I can think of a scenario where somebody
19 read about the bull case for XRP that could have
20 even been communicated by Ripple, but they could
21 have read that and still relied on that without
22 knowing the identity of the person who wrote it. I
23 mean, it might have just appeared in an interview,
24 or a clip, or a -- an article, or something like
25 that.

1 [REDACTED] - 2/16/2022

2 I mean, there is a lot of hypothetical
3 scenarios I can think of that would probably cut
4 both directions on that. So it's hard for me to
5 give you a specific answer about a specific person
6 without kind of hashing out what they read, and
7 what -- who -- what they understood about who made
8 the statement, and what they understood about the
9 purchase -- the link between the digital asset and
10 the person who made the statement.

11 Q. So you would need to know more about this
12 hypothetical person before you could put yourself in
13 their mindset to understand what they were expecting
14 when they purchased XRP. Is that right?

15 MR. SYLVESTER: Objection; beyond the
16 scope.

17 A. Well, I think the way you ask the
18 question is not specific enough in terms of what
19 they knew and what information they were relying on,
20 so it's hard for me to construct even hypothetically
21 in their mind what the link would be between those
22 two things.

23 Q. Suppose someone were to testify that when
24 they purchased XRP, they were aware of Ripple, and
25 they knew that Ripple offered products to banks, but

1 [REDACTED] - 2/16/2022

2 that they decided to purchase XRP not because of
3 Ripple, but because of XRP's superior technology.

4 Would that change your opinion about
5 whether reasonable purchasers of XRP were relying on
6 Ripple's statements, actions, and product offerings?

7 MR. SYLVESTER: Objection; beyond the
8 scope.

9 A. I think that, in preparing my opinion, I
10 collected, you know, the appropriate information
11 that I needed to know and formed my opinion based on
12 that, so I wouldn't be changing my opinion.

13 Q. Would it change your opinion if you
14 learned that there were hundreds of people who
15 testified that?

16 MR. SYLVESTER: Objection; beyond the
17 scope.

18 Go ahead.

19 A. Again, I think I collected the pertinent
20 information as set forth by my methodology and by
21 the analysis that I did, and I collected the
22 information I needed to collect. So that
23 information would not -- I can't sit here, you know,
24 imagine that the information would change my
25 opinion, but if, you know, you wanted me to, you

1 [REDACTED] - 2/16/2022

2 know, redo that analysis, I would need to, you know,
3 do a lot more than just kind of answer that
4 off-the-cuff right now. I don't know without doing
5 an analysis.

6 Q. Suppose someone were to testify that they
7 acquired XRP because it was a top 10 cryptocurrency
8 by market cap and listed at a lower price compared
9 to others, not because of anything that Ripple said
10 or did?

11 Would that change your opinion about
12 whether reasonable purchasers of XRP were relying on
13 Ripple's statements, actions, and product offerings?

14 MR. SYLVESTER: Objection; beyond the
15 scope.

16 A. So to draw any conclusion about how my
17 opinions have changed, I would need to do a lot more
18 work analysis than just hearing one data point and
19 making a decision based on that.

20 Q. How many purchasers did you speak with to
21 obtain data points before you wrote your report in
22 this case?

23 MR. SYLVESTER: Object to form.

24 A. I didn't interview particular purchasers.

25 Q. If you were to learn that -- withdrawn.

1 [REDACTED] - 2/16/2022

2 Suppose someone were to testify that they
3 acquired XRP for noninvestment purposes, such as to
4 pay for goods and services or to use as a substitute
5 for fiat currency. Would that change your opinion
6 about whether reasonable purchasers of XRP were
7 relying on Ripple's statements, actions, and product
8 offerings?

9 MR. SYLVESTER: Objection; beyond the
10 scope.

11 A. Again, sitting here now, having collected
12 the information I think was pertinent to form my
13 opinion and not, you know, doing more analysis, I
14 can't tell you that just kind of off-the-cuff my
15 opinion would change.

16 Q. What other information would you need to
17 figure out whether your opinion would change?

18 A. All the information I collected in this
19 report was considered, the totality of that was
20 considered. Hypothetically, if I had done this
21 analysis and the information that was out there in
22 the world was different, I might have come to a
23 different conclusion. So it's probably not a matter
24 of the -- and I can't tell you right now
25 specifically what individual piece of information

1 [REDACTED] - 2/16/2022

2 would change my opinion or not, but I'd have to
3 consider the totality of the evidence and the data
4 that exists.

5 Q. Suppose someone were to testify they
6 purchased XRP with the intention of using it to
7 develop a project or an application that involved
8 XRP or the XRP Ledger?

9 Would that change your opinion about
10 whether reasonable purchasers of XRP were relying on
11 Ripple's statements, actions, and product offerings?

12 MR. SYLVESTER: Objection; beyond the
13 scope.

14 A. I collected and considered all of the
15 information that I thought was pertinent, given my
16 assignment. And, again, I think giving me a
17 hypothetical of one additional data point sitting
18 here right now doesn't make me change my opinion.

19 Q. What if it was thousands of additional
20 data points? What if thousands of people testified
21 along those lines?

22 MR. SYLVESTER: Objection; beyond the
23 scope and form.

24 A. An individual piece of evidence, sitting
25 here right now, without doing additional analysis,

1 [REDACTED] - 2/16/2022

2 doesn't change that I collected the information I
3 thought was relevant, important to make my analysis,
4 and then, you know, conducted analysis based on that
5 data and based on my methodology.

6 Q. Suppose someone were to testify that they
7 purchased XRP with the intent to transfer other
8 digital assets, currencies, or send value to others
9 using the XRP Ledger?

10 Would that change your opinion as to
11 whether reasonable purchasers of XRP were relying on
12 Ripple's statements, actions, and product offerings?

13 MR. SYLVESTER: Objection; beyond the
14 scope.

15 A. Giving me a single hypothetical piece of
16 data, sitting here right now it doesn't change my
17 opinion as written, which was, you know, the result
18 of process, methodology, analysis, and including,
19 you know, my own collection of data that I thought
20 was relevant to the case.

21 Q. How many hours did you spend doing your
22 analysis on this report?

23 A. I can't remember exactly.

24 Q. Do you know if it was more than 50?

25 A. It was more than 50.

1 [REDACTED] - 2/16/2022

2 Q. Was it more than 500?

3 A. I'm not sure.

4 Q. It may have been, it may not have been,
5 you don't know?

6 A. I --

7 MR. SYLVESTER: Object to form.

8 A. -- I don't know a specific number.

9 Q. Suppose someone were to testify that they
10 utilized XRP as collateral to obtain financing.
11 Would that change any of the opinions you're
12 offering in this case?

13 MR. SYLVESTER: Objection; beyond the
14 scope.

15 A. That hypothetical piece of data does not
16 cause me to change my opinion. Again, my opinion
17 was based on the data that I collected and
18 identified in support of the methodology that I laid
19 out and the process that I followed that was, you
20 know, based on my experience in the space, my expert
21 opinion.

22 Q. Have you ever heard of Nexo?

23 A. Yes.

24 Q. What is Nexo?

25 A. Nexo is a financial institution.

1 [REDACTED] - 2/16/2022

2 Q. Does Nexo allow people to loan digital
3 assets and earn interest by doing that?

4 MR. SYLVESTER: Object to form.

5 A. My understanding is that Nexo does allow
6 lending services.

7 Q. Do you know whether XRP is one of the
8 assets that can be used for lending on Nexo?

9 A. I believe that Nexo allows a wide variety
10 of digital assets. I can't remember the entire
11 list, start to finish.

12 Q. Do you know whether XRP is one of the
13 assets that can be used for lending on Nexo?

14 MR. SYLVESTER: Objection; asked and
15 answered.

16 A. I know that Nexo allows a wide variety of
17 digital assets to be used on their platform.

18 Q. So you're not sure whether XRP is one of
19 those assets?

20 MR. SYLVESTER: Objection.

21 Go ahead.

22 A. Sitting here right now, without pulling
23 up their website, I don't know whether, you know, a
24 given platform has, you know, changed over time in
25 terms of things that they've offered, they

1 [REDACTED] - 2/16/2022

2 discontinued, they started to offer. It's been a
3 while since I've looked at their website. So I
4 would need to look at their current product
5 offerings.

6 Q. And you didn't consider what was on their
7 website in connection with forming your opinions in
8 this case. Right?

9 MR. SYLVESTER: Objection. You mean
10 Exhibit 1?

11 Q. I mean in connection with forming your
12 opinions in this case.

13 A. The documents that I considered for my
14 initial report are on the -- the list here.

15 Q. Have you heard of the online platform
16 Celsius?

17 A. Yes, I've heard of that.

18 Q. Is that another platform that allows
19 lending services of digital assets?

20 A. Yes.

21 Q. How about Bittrue?

22 MR. SYLVESTER: Objection; form.

23 A. I can't tell you, sitting here right now,
24 specifically what assets either of those platforms
25 offer.

1 [REDACTED] - 2/16/2022

2 Q. Are you familiar with Bittrue?

3 A. I've -- you know, I'm not as familiar
4 with Bittrue as the others.

5 Q. What platform do you use to stake crypto?

6 MR. SYLVESTER: Objection; form.

7 A. I've staked crypto using blockchains, but
8 I don't believe I've ever staked on a centralized
9 platform like the ones that you're talking about.

10 Q. Are you familiar with BlockFi?

11 A. Yes.

12 Q. Is -- what is BlockFi?

13 A. I think it's -- broadly it's similar to
14 some of the platforms you discussed. It's a
15 financial institution.

16 Q. Have you ever used BlockFi?

17 A. No.

18 Q. Are you aware of the SEC enforcement
19 action announced against BlockFi yesterday?

20 A. I am.

21 Q. Have you stopped staking digital assets
22 in light of that enforcement action?

23 MR. SYLVESTER: Objection; assumes
24 facts not in evidence.

25 Did he say he's staking digital

1 [REDACTED] - 2/16/2022

2 assets right now? I thought you spoke in the past
3 tense.

4 A. In answer to your question about
5 centralized platforms like the one we just
6 discussed, I said I have not staked on those
7 platforms.

8 Q. I didn't ask about on platforms.
9 When was the last time you staked digital
10 assets?

11 A. I can't remember specifically.

12 Q. Within the last six months?

13 A. Probably.

14 Q. Did you ever stop staking -- did you ever
15 make a decision to stop staking digital assets?

16 A. Do you mean in general or with a
17 particular asset?

18 Q. Either.

19 A. I've had assets that were staked and then
20 not staked later, if that's what you mean.

21 Q. Have you decided to stop staking digital
22 assets generally at any point?

23 A. No.

24 Q. If someone were to testify that they
25 staked their XRP on digital trading platforms, such

1 [REDACTED] - 2/16/2022

2 as Nexo, Celsius, or Bittrue, and that they earn
3 interest or compensation for loaning XRP, would that
4 change any of the opinions you're offering in this
5 case?

6 MR. SYLVESTER: Objection; beyond the
7 scope.

8 A. That hypothetical data point does not
9 change the opinion that I've laid forth in this
10 report, sitting here today. It was made using all
11 of the relevant data and methodology that I thought
12 was appropriate given my expertise in this space.

13 Q. Do you know who John Deaton is?

14 A. No.

15 Q. I'm going to show you what we'll mark as
16 Exhibit [REDACTED] 5. [REDACTED] 5 is a series of tweets by
17 John Deaton and it looks like they're dated
18 February 11th.

19 (Exhibit 5 was marked.)

20 MR. SYLVESTER: 2022?

21 MR. OPPENHEIMER: Yes, as far as I
22 can tell. Thank you.

23 Q. So Exhibit 5 has a series of tweets.
24 Have you ever seen them before?

25 MR. SYLVESTER: Take your time to

1 [REDACTED] - 2/16/2022

2 look through the document so you can answer that
3 question accurately.

4 A. (Pause.)

5 Q. And I'll note for the record while you're
6 reading that some of the tweets are duplicated
7 across pages so that you can see how the series
8 links up at the top and bottom.

9 A. Wait. Sorry. Say that again.

10 (Simultaneous speaking.)

11 Q. Some of them are duplicated across pages
12 so you can see how they link up. As an example, the
13 second page of Exhibit 5 ends with a tweet numbered
14 16 and then that tweet numbered 16 is at the top of
15 the third page. So you can see the order that they
16 continue to go in.

17 A. So, actually, these are all printed in
18 reverse order?

19 Q. Yeah.

20 A. So they start from the end.

21 Q. So take your time to read it. My
22 question will be have you ever seen these tweets
23 before.

24 A. (Pause.)

25 Okay. I've read through them.

1 [REDACTED] - 2/16/2022

2 Q. Have you seen these tweets before?

3 A. No.

4 Q. If you look at the final page of

5 Exhibit 5, the tweet at the very bottom, it says:

6 I've literally been in contact with thousands of XRP

7 holders.

8 And then above that, the tweet marked

9 No. 1 says: The majority of first-time XRP

10 purchasers were actually unaware of a company called

11 Ripple and its use of XRP.

12 Do you see that?

13 A. I do.

14 Q. If you were to learn that a majority of

15 first-time XRP purchasers were unaware of a company

16 called Ripple and its -- and its use of XRP, would

17 that change any of the opinions you're offering in

18 this case?

19 A. I mean, looking at this, I have no way of

20 knowing whether any of this is true. I don't know

21 who this person is. I don't know who they spoke to.

22 I don't know if he validated that the people he

23 spoke to are right and, you know, if some -- just

24 because somebody, you know, said that, that doesn't

25 change my opinion here. It's -- it's not part of

1 [REDACTED] - 2/16/2022

2 the data that I felt that I needed to conduct my
3 analysis.

4 Q. So I'm not asking you to accept this
5 tweet as fact. What I'm asking you is
6 hypothetically assume it is true.

7 If you were to learn that a majority of
8 first-time XRP purchasers were unaware of a company
9 called Ripple and its use of XRP, would that change
10 your opinions in this case?

11 MR. SYLVESTER: Objection; asked and
12 answered.

13 A. Yeah. I -- I don't have a different
14 answer for you. It's hard for me to draw any
15 conclusions based on somebody making a claim that
16 they know that some other unnamed people have -- you
17 know, made their own claim about what they knew
18 about Ripple at that time.

19 Q. And you've not undertaken any efforts to
20 figure out what a majority of first-time XRP
21 purchasers did or didn't know in connection with
22 forming your opinion. Right?

23 A. Along the lines of my inability to
24 validate that this person actually spoke to
25 individuals who actually work for XRP purchasers and

1 [REDACTED] - 2/16/2022

2 they did or didn't know specific things, I also
3 don't have a, you know, authenticated validated list
4 of people who were queried at the time that they
5 made an XRP purchase for the first time and -- and
6 what they knew or didn't know.

7 Q. Did you try to find any XRP purchasers to
8 ask them?

9 MR. SYLVESTER: Object to form.

10 Go ahead.

11 A. I did not interview specific XRP
12 purchasers or attempt to validate whether anybody
13 did, you know, make a specific purchase and what
14 their knowledge of Ripple was at that moment that
15 they made that purchase.

16 Q. Take a look at the tweet marked No. 9 on
17 Page 4 of this exhibit. This tweet says: 65K XRP
18 holders granted amicus affirm when they acquired
19 XRP, they were not relying on the efforts of the
20 company, Ripple, or its management team for any
21 purpose.

22 If you were to learn that 65,000 people
23 submitted testimony saying that they affirm that
24 when they acquired XRP, they were not relying on the
25 efforts of the company, Ripple, or its management

1 [REDACTED] - 2/16/2022

2 team for any purpose, would that change the opinions
3 you're offering in this case?

4 MR. SYLVESTER: Object to the form.

5 A. It would not.

6 Q. Why not?

7 A. For all the reasons you just said, it's
8 impossible for me to validate that there is a
9 specific number of individuals who had that specific
10 information in their mind at the moment they made
11 that purchase, but I think whether they realize it
12 or not, they -- you know, Ripple -- there are
13 certain, kind of, facts I know about what happened
14 in the development of the XRP Ledger. One of them
15 is that Ripple aided the development, so without
16 Ripple, they wouldn't have been able to even make
17 that purchase. Whether they know that they relied
18 on those development efforts or not, if those --
19 hypothetically, if those development efforts didn't
20 exist, they couldn't have even made that purchase.

21 So, you know, in addition to being
22 impossible to authenticate that a specific person
23 knew or didn't know something, there is a separate
24 issue between what they, you know, knew in their
25 mind and what was true in the world in terms of

1 [REDACTED] - 2/16/2022

2 their reliance of -- on Ripple to make that
3 purchase.

4 MR. SYLVESTER: Brad, maybe when
5 we're done with this exhibit, we could take a break.
6 We've been going for about an hour.

7 MR. OPPENHEIMER: Sure. We can
8 finish soon.

9 Q. When -- you mentioned that you know
10 certain kinds of facts about what happened in the
11 development of the XRP Ledger. One of them is that
12 Ripple was working on the development of the XRP
13 Ledger. Is that with respect to past conduct or
14 ongoing future development?

15 MR. SYLVESTER: Object to form;
16 vague.

17 A. I was referring to the, kind of, origin
18 of the XRP Ledger that if there had not been any
19 initial development work to bring the XRP Ledger
20 into the world, it would have been -- you know, XRP
21 and XRP Ledger wouldn't have existed and somebody
22 would not have been physically capable of making a
23 purchase of XRP if that hadn't happened.

24 Q. So you're saying that anyone who bought
25 XRP was relying on past actions that Ripple already

1 [REDACTED] - 2/16/2022

2 took when it developed the XRP Ledger. Is that
3 right?

4 MR. SYLVESTER: Objection; beyond the
5 scope.

6 A. People who, you know, purchased XRP, they
7 did that for a wide variety of reasons and, you
8 know, I've discussed in my report a list of
9 important factors that a reasonable purchaser would
10 consider, and beyond that, it's -- it's hard for me
11 to speculate on a specific factor that did or didn't
12 weigh in the mind of a specific, kind of,
13 hypothetical person that has reported something they
14 knew or didn't know at the time.

15 Q. Is it your opinion that a purchaser who
16 didn't rely on -- withdrawn.

17 Is it your opinion that a purchaser who
18 didn't consider the factors listed in your report
19 was not a reasonable purchaser?

20 MR. SYLVESTER: Object to form.

21 A. I'm sorry. Say that again.

22 Q. Is it your opinion that a
23 person -- withdrawn.

24 Is it your opinion that someone who
25 purchased XRP but didn't consider the factors listed

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2 in your report, that that person was not a
3 reasonable purchaser of XRP?

4 MR. SYLVESTER: Object to the form.

5 A. The analysis I've done in my report was
6 to lay out, in general, the types of things that
7 reasonable purchasers -- the type of things that are
8 relevant to reasonable purchasers.

9 And as I've said, you know, earlier
10 today, you know, there are different types of market
11 participants. They might have different factors
12 that are more important to them or less important to
13 them. Some of those market participants have
14 completely different factors that are important to
15 them. So I can't, sitting here, you know, without
16 knowing every purchaser and having some way to
17 validate what they knew or didn't know, rule out the
18 possibility that there was some factor that they
19 considered that is not in my report and I wasn't
20 trying to do that with the report. I was trying to,
21 you know, based on my knowledge and expertise and
22 experience in the space, lay out the factors that I
23 think are generally important to regional
24 purchasers.

25 Q. Are you offering an opinion that a

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2 purchaser who doesn't consider the same factors that
3 you laid out in your report is not a reasonable
4 purchaser?

5 MR. SYLVESTER: Objection; beyond the
6 scope.

7 A. My report, the factors I laid out based
8 on the assignment that I have and data that I
9 collected, the goal was to identify and analyze
10 important factors that were pertinent generally to
11 reasonable purchasers.

12 Q. So you're not saying that somebody who
13 doesn't rely -- or withdrawn.

14 So you're not saying that somebody who
15 doesn't consider those factors can't be a reasonable
16 purchaser as well. Is that right?

17 MR. SYLVESTER: Object to form.

18 A. I think if you're asking me, like,
19 hypothetically is it possible for somebody to exist
20 that is a reasonable purchaser that considered some
21 subset of the factors I've outlined or considered a
22 different factor also, that's -- that's certainly
23 possible.

24 Q. Okay.

25 MR. OPPENHEIMER: Let's go off the

1 [REDACTED] - 2/16/2022

2 record.

3 THE VIDEOGRAPHER: The time is 3:37.

4 We're off the record.

5 (Break.)

6 THE VIDEOGRAPHER: The time is 3:54.

7 We're on the record.

8 Q. Take a look on Paragraph 89. In
9 Paragraph 89, you write, quote: Over the course of
10 the issuance period, a reasonable purchaser of XRP
11 would have had an expectation of generating profit
12 based on the efforts of Ripple and its management to
13 accomplish the growth strategies that Ripple
14 advertised to the public as being already achieved
15 or planned for the future.

16 And then, later in that paragraph, you
17 also say: A reasonable purchaser --

18 (Discussion off the written record.)

19 Q. A reasonable purchaser would have closely
20 considered many factors --

21 MR. SYLVESTER: I'm sorry, Brad.

22 Where does the "reasonable purchaser" start?

23 MR. OPPENHEIMER: That is, if you
24 count from the bottom, one, two, three, four,
25 five -- the sixth line up, the reasonable purchaser.

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2 MR. SYLVESTER: Okay. So you're
3 there starting in the middle of that sentence. Go
4 ahead.

5 MR. OPPENHEIMER: Yeah. I'll do the
6 whole sentence, if you want. Since we got
7 interrupted. Why don't we start the whole question
8 over.

9 Q. Paragraph 89, you write: Over the course
10 of the issuance period, a reasonable purchaser of
11 XRP would have had an expectation of generating
12 profit based on the efforts of Ripple and its
13 management to accomplish the growth strategies that
14 Ripple advertised to the public as being already
15 achieved or planned for the future.

16 And then, a little further down: Given
17 this relationship between Ripple's performance and
18 the price of XRP, a reasonable purchaser would have
19 closely considered many factors that were publicized
20 by Ripple, such as disclosed partnerships with
21 financial institutions, the quality of Ripple's
22 management team, the target addressable market for
23 Ripple's products, and the availability of liquidity
24 on trading platforms for XRP.

25 Do you see that?

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2 A. Yes.

3 Q. You didn't do any empirical testing to
4 support that opinion, did you?

5 MR. SYLVESTER: Objection; form.

6 A. What do you mean by -- specifically by
7 "empirical testing"?

8 Q. Did you conduct any surveys to see how
9 purchasers viewed and interpreted Ripple's
10 statements, efforts, and product offerings?

11 MR. SYLVESTER: Objection; form.

12 A. I -- I think throughout the report I have
13 laid out the methodology that I used, which included
14 kind of using my background in the space, my
15 experience trading digital assets, my experience as
16 a user of digital assets, in understanding how
17 blockchains and blockchain companies and blockchain
18 projects work, to identify the key factors that a
19 reasonable purchaser -- that basically pertains to a
20 reasonable purchaser, and how the design of the XRP
21 Ledger, and the design of the software products, and
22 how Ripple's statements and communications related
23 to those -- those key factors, so --

24 Q. Let us -- sorry. Are you done?

25 A. I wasn't finished.

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2 Q. Go ahead.

3 A. The -- you asked about -- in the part you
4 read about the -- how the -- the communications --
5 of Ripple in fulfilling the kind of product
6 trajectory plays into that. And I think throughout
7 the report I laid out several ways that the -- that
8 that link that you just repeated from the language
9 from this Paragraph 89 was made very explicit by
10 Ripple management, that they were basically going to
11 develop a successful product offering that targeted
12 a very large, addressable market.

13 And that, you know, I think those --
14 those public announcements then directly made the
15 link that if that was successful, there would be a
16 large demand by institutions and others to hold XRP
17 as part of the usage of that product, and that
18 through the, you know, fixed-supply nature of the
19 coin, that those holdings of XRP would tend to
20 increase the price of XRP.

21 Q. So that's a no, you didn't conduct any
22 surveys?

23 MR. SYLVESTER: Object to form.

24 A. I think I just laid out what the
25 methodology was of my paper.

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2 Q. And there were no surveys in it. Right?

3 A. There were no -- well, there were surveys
4 of the communications that were made by Ripple.
5 There were surveys of blockchain data that I --

6 Q. Did you --

7 A. You have to be more specific about
8 exactly what kind of survey you're talking about.

9 Q. Well, that was the original question, but
10 I'll ask it again. Did you conduct any surveys to
11 see how purchasers viewed and interpreted Ripple's
12 statements, efforts, or product offerings?

13 MR. SYLVESTER: Object to form.

14 A. I think what you're asking me is did I
15 conduct, like, a poll of individuals who have
16 claimed they owned XRP, and if that's the question
17 you're getting at, then the answer is no.

18 But when you -- you're saying did I do a
19 survey, and I think I've said I surveyed the
20 available, you know, information that's laid out in
21 my report.

22 But it seems like you're asking a
23 specific question about a specific type of poll or
24 specific type of question that I was asking to
25 people who purported to purchase XRP. If that's

1 [REDACTED] - 2/16/2022

2 what you're asking, then no.

3 Q. You didn't do any surveys of XRP
4 purchasers. Right?

5 A. I didn't identify specific XRP purchasers
6 and ask them questions about, you know, what was in
7 their head at the moment that they purchased it.

8 Q. You didn't hold any focus groups. Right?

9 A. Correct, I did not hold a focus group.

10 Q. You did not conduct any interviews.
11 Right?

12 A. I did not conduct any interviews with --
13 again, I think with XRP purchasers, if that's what
14 you're asking, yeah.

15 Q. Did you conduct interviews with anyone
16 else to form your opinions in this case?

17 A. No.

18 Q. You didn't perform any statistical
19 analyses to see whether Ripple's statements,
20 efforts, or product offerings had any long-term
21 impacts on the price of XRP, did you?

22 A. Statistical analyses? Is that what you
23 asked?

24 Q. That's what I asked.

25 MR. SYLVESTER: Objection; beyond the

1 [REDACTED] - 2/16/2022

2 scope.

3 Go ahead.

4 A. I think, in my original report and
5 rebuttal report, I did analysis that involved --
6 that involved using statistics, yes.

7 Q. Where in your original report did you do
8 a statistical analysis? Can you point me to the
9 paragraph?

10 A. I'd just have to go back and look.

11 (Pause.)

12 I'd say that Figure 4, which has monthly
13 ODL volumes, involves statistics about ODL usage
14 over time.

15 Q. So you considered Figure 4 a statistical
16 analysis. Is that right?

17 A. I mean, the term "statistical analysis"
18 is very broad. I don't exactly know what you're --
19 if there is a specific type of analysis that you
20 have in mind. I mean, my -- you know, data-based,
21 you know, calculations, charts, and figures, to me,
22 that -- that has to do with statistics.

23 But I think you're trying to ask about a
24 specific kind of analysis. I could probably answer
25 the question better if you narrowed in on what that

1 [REDACTED] - 2/16/2022

2 type of analysis is that you're asking about.

3 Q. My question was, did you perform any
4 statistical analyses to see whether Ripple's
5 statements, efforts, or product offerings had any
6 long-term impacts on the price of XRP. And --

7 (Simultaneous speaking.)

8 MR. SYLVESTER: Objection; beyond the
9 scope.

10 Go ahead.

11 Q. Your answer to that question was that you
12 did statistical analyses in both your opening and
13 rebuttal reports.

14 So let's make clear, did you perform any
15 statistical analyses to see whether Ripple's
16 statements, efforts, or product offerings had any
17 long-term impacts on the price of XRP?

18 MR. SYLVESTER: Objection; beyond the
19 scope.

20 A. The -- all the analysis that I've
21 performed is kind of shown in the report. I mean,
22 we can disagree about the specific -- you know, I
23 gave you one example. You disagree about the
24 specific nature of that relating to your question or
25 not. If you can, you know, ask more specifically

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2 about the type of analysis that you're seeing if I
3 did or not, I mean, we could talk about that.

4 But I think, in general, you know,
5 looking to the report, I identified the factors that
6 I thought were pertinent and collected a variety of
7 data to perform that analysis. And I think, you
8 know, any time you're collecting quantitative data
9 and, you know, producing calculations based on that,
10 that has to do with statistics. So, broadly,
11 that -- that's statistical analysis.

12 But if you're -- again, if you're trying
13 to ask me if I did a specific type of statistical
14 analysis, we can talk through that.

15 Q. Where does Figure 4 say anything about
16 the price of XRP?

17 MR. SYLVESTER: Objection; form.

18 A. The word "price of XRP" is not in
19 Figure 4. The Y axis on Figure 4, though, is a U.S.
20 dollar value, so because these ODL transactions were
21 transferred from, you know, one exchange to another
22 on the XRP Ledger, the price of XRP is baked into
23 this chart, because we're looking at dollar values
24 on the Y axis, whereas U.S. dollars were not sent on
25 the XRP Ledger for these transactions. We're

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2 looking at XRP transactions that had a dollar value,
3 so the price of XRP times the number of coins gives
4 you a -- gives you a U.S. dollar figure.

5 Q. And where does Figure 4 say anything
6 about the effects of Ripple's statements, actions,
7 and product offerings on the price of XRP in the
8 long-term?

9 MR. SYLVESTER: Objection; form.

10 A. The title of Figure 4 does not have
11 that -- those words in it. I think, taken in the
12 totality of the report, everything in the report is
13 there to lay out the framework I used and the
14 analysis I used to make the determinations and the
15 opinions that I have.

16 So they are -- you know, everything in
17 the report is related to my, you know, analytical
18 framework. I think every word of the -- of a
19 specific conclusion is going to show up in every
20 figure head, though.

21 Q. You're not a statistician, are you?

22 A. That's correct.

23 Q. Do you have any statistical -- any
24 training to conduct statistical analyses?

25 A. Well, I use statistics all the time as a

1 [REDACTED] - 2/16/2022

2 course of my work, both my present and in previous
3 jobs. We talked earlier about my work at [REDACTED]
4 [REDACTED] and [REDACTED] and I used statistics
5 heavily in those jobs. So I have a familiarity with
6 using data and statistics, but not formal training
7 as a statistician or conducting kind of -- I guess,
8 so yeah, I don't have formal training as a
9 statistician.

10 Q. Did you conduct a factor analysis to
11 determine what factors influence the price the XRP?

12 A. I identified --

13 MR. SYLVESTER: Objection; beyond the
14 scope.

15 A. -- I identified several factors in my
16 report that, you know, based on my expertise in the
17 space, my knowledge of the blockchain space, and as
18 both a user and an investor that I thought were
19 important factors to a reasonable purchaser of XRP.

20 Q. Do you know what a statistical factor
21 analysis is?

22 A. Yes.

23 Q. Did you do one of those?

24 A. No.

25 Q. Did you do an events study to figure out

1 [REDACTED] - 2/16/2022

2 what -- withdrawn.

3 You're not a psychologist, are you?

4 A. Correct.

5 Q. And you're not offering an opinion about
6 how an ordinary person would interpret statements
7 made in the English language, are you?

8 MR. SYLVESTER: Object to form.

9 A. I'm not sure I understand exactly what
10 you're asking. Yeah, I'd ask you to see if we can
11 hone in on that better.

12 Q. Are you offering an opinion about what a
13 set of statements would mean to someone who reads
14 them?

15 MR. SYLVESTER: Objection; form.

16 A. I think as an expert in the blockchain
17 space, I understand how certain terminology, jargon,
18 and even, you know, broadly, statements about
19 digital assets are perceived by people who
20 understand the blockchain.

21 There are certain, you know, blockchain
22 terms that someone who has no idea what blockchain
23 is, they wouldn't understand what that meant. But
24 somebody that is a software developer in the
25 blockchain space or a sophisticated investor in the

1 [REDACTED] - 2/16/2022

2 blockchain space, they would have a different
3 understanding of that word completely.

4 And so in that sense, yes, I think I
5 qualified as an expert in the blockchain space to --
6 to understand how certain words and communications
7 are interpreted by another person who's involved in
8 the blockchain space.

9 Q. Are you offering an opinion that the
10 statements that you quote from Ripple wouldn't be
11 understandable to a layperson?

12 A. I think that many of the statements by
13 Ripple have specific meaning to someone who is in
14 the blockchain space. So when Ripple talks about,
15 you know, creating their escrow amounts to remove
16 XRP from the kind of free float, that's an example
17 where if you talk to somebody who's not in the
18 blockchain space, and tell them an escrow, they
19 might have a specific kind of reaction to that word
20 or a meaning in their head of that word.

21 Maybe they've made a home purchase and
22 they've put some money in an escrow and they
23 understand it to be a third party who holds money
24 for short-term while a transaction is closing.

25 I think to someone in the blockchain

1 [REDACTED] - 2/16/2022

2 space that has a different meaning, and they
3 understand that, you know, Ripple's statements about
4 escrowing XRP away is about, you know, controlling
5 the circulating supply of XRP at a given moment.

6 And they don't understand that, you know,
7 generally that type of action to alter the free
8 float is done to assure investors that, you know,
9 selling pressure will be removed from the market.
10 There are a variety of specific kind of consequences
11 of using that word that an investor in the
12 blockchain space would understand completely
13 different than an investor in the ordinary space.

14 An ordinary investor or a -- not even an
15 investor, just an ordinary person who is not in the
16 blockchain space would not draw that connection
17 between, you know, digital assets being escrowed and
18 the float being reduced for a certain amount of time
19 and what that does to the price of the token over
20 time.

21 Q. So somebody without a lot of experience
22 in the digital asset space might interpret some of
23 these statements differently from the way you do as
24 an expert. Is that right?

25 MR. SYLVESTER: Objection; form, and

1 [REDACTED] - 2/16/2022

2 beyond the scope.

3 A. So I'm not specifically saying that my
4 interpretation is different than everybody else's
5 interpretation. I'm saying that as an expert in the
6 blockchain space, I understand the meaning of some
7 of these terms and how they relate to people in the
8 blockchain space.

9 And, you know, part of what I tried to do
10 in this report is to synthesize that expertise and
11 that knowledge about how these communications are --
12 you know, relate to participants, you know, market
13 participants in the blockchain space. And the way
14 that those terms and those communications relate to
15 participants in the blockchain space is, you know,
16 different than how those terms would relate to
17 somebody that's not a potential purchaser of
18 blockchain assets because they're not -- they're not
19 in that space.

20 And I guess, you know, to give another
21 example, like we talked about escrow, but maybe
22 somebody talks about liquidity. So someone in the
23 blockchain space can have a specific understanding
24 of the term liquidity, what it means, why it's
25 important for a company to increase the depth of

1 [REDACTED] - 2/16/2022

2 liquidity on a particular exchange and why it's
3 important for a company to increase the availability
4 of their asset on other, you know, trading platforms
5 in order to promote liquidity and to promote trading
6 in the product.

7 Somebody who hasn't kind of followed
8 along with the trajectory of the blockchain space
9 and, you know, specific developments that have
10 happened with different companies might not
11 understand what an important factor promoting
12 liquidity is for blockchain trading in general and
13 also for, you know, a blockchain product such as the
14 one I'm talking about here, such as ODL, why
15 liquidity is so important, to promote ODL usage.

16 So those are just two examples and I
17 think there are others in the report, but, you know,
18 I think many of these terms and many of these
19 communications are, you know, interpreted in a
20 certain way by someone who's in the blockchain space
21 versus somebody who's not. I can, you know, speak
22 to how those words and terms pertain to market
23 participants in the blockchain space.

24 Q. So a more sophisticated participant in
25 the blockchain space would interpret some of these

1 [REDACTED] - 2/16/2022

2 statements by Ripple differently than someone who
3 doesn't have blockchain experience.

4 (Simultaneous speaking.)

5 MR. SYLVESTER: Objection. Sorry.

6 MR. OPPENHEIMER: Go ahead.

7 MR. SYLVESTER: Form, and beyond the
8 scope.

9 A. Sorry. Can you repeat the question?

10 Q. So a more sophisticated participant in
11 the blockchain space would interpret some of these
12 statements by Ripple differently than someone who
13 doesn't have a lot of blockchain experience?

14 MR. SYLVESTER: Objection.

15 (Simultaneous speaking.)

16 Q. Isn't that right?

17 MR. SYLVESTER: Sorry.

18 Objection; form, beyond the scope of
19 his expert opinion.

20 A. So I think you're talking about two
21 different things there, which is somebody in the
22 blockchain space and are they sophisticated. The
23 way you -- I interpreted your question, that seems
24 like you're saying it's one or the other and I
25 disagree with that.

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2 You could be a blockchain -- you can be a
3 participant in the blockchain space with more or
4 less sophistication. It can be someone who is
5 outside of the blockchain space who has more or less
6 sophistication.

7 What I generally try to identify are the
8 concepts that are important to, you know, reasonable
9 purchasers. So people who are, you know, making
10 decisions about whether to purchase digital assets,
11 there are certain factors that they consider. They
12 would interpret specific words differently than
13 somebody who has no understanding of the blockchain
14 space.

15 I've given a couple of examples of those,
16 but I think people would, you know -- I guess I'm
17 saying that there are different groups of people who
18 would interpret those words differently. I wouldn't
19 draw the lines of classification around those groups
20 of people exactly the way that you just did.

21 Q. Suppose somebody had no blockchain or
22 digital asset experience at all. They went to go
23 buy a digital asset for the first time and chose XRP
24 and saw some of these statements that you describe
25 in your report.

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2 Would you expect that that person who has
3 no digital asset experience would interpret some of
4 these statements differently from the way you do as
5 an expert?

6 MR. SYLVESTER: Objection; beyond the
7 scope of your expert report.

8 A. I didn't specifically do analysis on the
9 hypothetical person that you're talking about who's
10 brand-new to blockchain and shows up at a digital
11 asset exchange and makes a specific purchase of a
12 specific asset.

13 What I tried to do is explain how, you
14 know, generally reasonable purchasers of digital
15 assets understand these design decisions and
16 communications.

17 Q. Did you do anything to figure out how
18 many purchasers of XRP actually encountered the
19 statements that you quote in your report?

20 MR. SYLVESTER: Objection; form.

21 Go ahead.

22 A. I do not know the specific number of how
23 many people were exposed to any one of these pieces
24 of communication.

25 Q. What steps did you take to try to find

1 [REDACTED] - 2/16/2022

2 that out, if any?

3 A. That was not part of my analysis. I
4 think, you know, again, I laid out the methodology
5 that I used, the steps that based on my experience
6 and knowledge of the space were necessary. Found
7 data that pertained to those steps that I laid out
8 and then conducted my analysis.

9 Q. So let's talk about your methodology.
10 What was the first step in your analysis, the first
11 thing you did?

12 A. So the methodology is basically to
13 synthesize my knowledge of the digital asset space
14 that's based on, again, my experience trading
15 digital assets and using blockchains and blockchain
16 assets. Also my experience just in the traditional
17 financial markets as a trader and investor, my
18 knowledge of information that's written about the
19 space in academic literature and blogs and podcasts
20 and conferences, and to -- to use that expertise and
21 background knowledge to synthesize an understanding
22 of the important factors that relate to a potential
23 purchaser of a digital asset.

24 So, you know, my first task was to
25 identify those -- those factors, and then once I